

From: Bruce M. Binder
To: Microsoft ATR
Date: 11/22/01 1:52pm
Subject: Microsoft Settlement

Office of the Attorney General:

I was very disappointed in the Federal government's settlement in the Microsoft anti-trust case and I hope California will continue to pursue a more severe remedy. I have a suggestion for a part of a remedy. Microsoft should be fined a large amount of money, and that money should be used to help fund software companies in California. Microsoft should be required to help put software companies **in** business instead of out of business.

The money should be used to set up a fund and an independent non-profit organization to administer it. The money would be used by startup software companies or by existing companies developing new software. It could be dispersed as grants, loans, investments, or however the organization sees fit. Some restrictions would have to be in place, such as limiting the funds to companies developing software for Microsoft platforms. Additionally, Microsoft could be required to distribute, on its operating system media, any software developed under this program that a software company wanted distributed.

This plan has benefits to software companies, Microsoft, and the State of California. Software companies would have this additional source of funding available in a market where venture capital is not as available as it once was. It would encourage the type of innovation and variety in the software market that led to Microsoft's success in the first place. By making this money available, California would encourage companies to set up software companies in the state, mitigating some of the recent layoffs.

I believe there are other restrictions that should be required as part of the remedy, and the above suggestion is not meant to replace them. Some of the restrictions have been addressed in the Federal settlement, and other, stronger restrictions are needed. However, I do not think an extremely strong punitive action in the form of a massive fine is uncalled for, especially if the money can be put to a constructive use.

Thank you for your consideration.

Sincerely,

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Bruce M. Binder
San Diego, California